

district director must under subparagraph (1)(i) of this paragraph, pay \$50,000 in order to redeem Blackacre, whether or not B seeks a judgment for the deficiency.

(d) *Certificate of redemption*—(1) *In general.* If a district director exercises the right of redemption of the United States described in paragraph (b) of this section, he shall apply to the officer designated by local law, if any, for the documents necessary to evidence the fact of redemption and to record title to the redeemed property in the name of the United States. If no such officer has been designated by local law or if the officer designated by local law fails to issue the necessary documents, the district director is authorized to issue a certificate of redemption for the property redeemed by the United States.

(2) *Filing.* The district director shall, without delay, cause either the documents issued by the local officer or the certificate of redemption executed by the district director, described in subparagraph (1) of this paragraph (d), to be duly recorded in the proper registry of deeds. If a certificate of redemption is issued by the district director and if the State in which the real property redeemed by the United States is situated has not by law designated an office in which the certificate of redemption may be recorded, the district director shall file the certificate of redemption in the office of the clerk of the U.S. district court for the judicial district in which the redeemed property is situated.

(3) *Effect of certificate of redemption.* A certificate of redemption executed pursuant to subparagraph (1) of this paragraph (d), shall constitute prima facie evidence of the regularity of the redemption. When a certificate of redemption is recorded, it shall transfer to the United States all the rights, title, and interest in and to the redeemed property acquired by the person from whom the district director redeemed the property by virtue of the sale of the property.

(4) *Application for release of right of redemption.* Upon application of a party with a proper interest in the real property sold in a nonjudicial sale described in section 7425(b) and paragraph (b) of § 400.4-1, which real property is

subject to the right of redemption of the United States described in this section, the district director may, in his discretion, release the right of redemption with respect to the property. The application for the release shall be submitted in writing to a district director and shall contain such information as the district director may require. If the district director determines that the right of redemption of the United States is without value, no amount shall be required to be paid with respect to the release of the right of redemption.

[T.D. 6944, 33 FR 737, Jan. 20, 1968]

PART 401—TEMPORARY PROCEDURES AND ADMINISTRATION REGULATIONS UNDER THE TAX EQUITY AND FISCAL RESPONSIBILITY ACT OF 1982 (PUB. L. 97-248)

§ 401.6325-1 Release of liens.

(a) *In general.* The district director shall issue a certificate of release for a filed notice of Federal tax lien not later than 30 days after the date on which the district director finds that the entire tax liability listed in such notice of Federal tax lien has been fully satisfied (as defined in paragraph (c) of this section) or has become legally unenforceable.

(b) *Certificate of release for a lien which has become legally unenforceable.* The district director shall have the authority to file a notice of Federal tax lien which also contains a certificate of release pertaining to those liens which become legally unenforceable. Such release will become effective as a release as of a date prescribed in the document containing the notice of Federal tax lien and certificate of release.

(c) *Satisfaction of tax liability.* For purposes of paragraph (a) of this section, satisfaction of the tax liability occurs when—

(1) The district director determines that the entire tax liability listed in a notice of Federal tax lien has been fully satisfied. Such determination will be made as soon as practicable after tender of payment; or

(2) The taxpayer provides the district director with proof of full payment (as

defined in paragraph (d) of this section) with respect to the entire tax liability listed in a notice of Federal tax lien together with the information and documents set forth in paragraph (f) of this section. See paragraph (e) of this section if more than one tax liability is listed in a notice of Federal tax lien.

(d) *Proof of full payment.* As used in paragraph (c)(2) of this section, the term "proof of full payment" means—

(1) An internal revenue cashier's receipt reflecting full payment of the tax liability in question;

(2) A canceled check in an amount sufficient to satisfy the tax liability for which the release is being sought; or

(3) Any other manner of proof acceptable to the district director.

(e) *Notice of a Federal tax lien which lists multiple liabilities.* When a notice of Federal tax liens lists multiple tax liabilities, the district director shall issue a certificate of release when all of the tax liabilities listed in the notice of Federal tax lien have been fully satisfied or have become legally unenforceable. In addition, if the taxpayer requests that a certificate of release be issued with respect to one or more tax liabilities listed in the notice of Federal tax lien and such liability has been fully satisfied or has become legally unenforceable, the district director shall issue a certificate of release. For example, if a notice of Federal tax lien lists two separate liabilities and one of the liabilities is satisfied, the taxpayer may request the issuance of a certificate of release with respect to the satisfied tax liability and the district director shall issue a release. See paragraph (c) of this section in determining when a tax lien has been fully satisfied. A request made by the taxpayer shall be made to the district director in accordance with the procedures in paragraph (f) of this section.

(f) *Taxpayer requests.* A request for a certificate of release with respect to a notice of Federal tax lien shall be submitted in writing to the district director (marked for the attention of the Chief, Special Procedures Function) of the district in which the notice of Federal tax lien was filed. The request shall contain the following—

(1) Name and address of the taxpayer;

(2) A copy of the notice of Federal tax lien affecting the property; and

(3) The grounds upon which the issuance of a release is sought.

(g) *Effective date.* The provisions of this section are effective with respect to a notice of Federal tax lien (1) which is filed after December 31, 1982,

(2) which is satisfied after December 31, 1982, or

(3) with respect to which the taxpayer after December 31, 1982, requests that district director to issue a certificate of release on the grounds that the liability was satisfied or legally unenforceable.

(Secs. 6325(a) and 7805 of the Internal Revenue Code of 1954 (68A Stat. 781, 917; 26 U.S.C. 6325(a), 7805))

[T.D. 7886, 48 FR 17069, Apr. 21, 1983; 48 FR 19878, May 3, 1983]

PART 402—[RESERVED]

PART 403—DISPOSITION OF SEIZED PERSONAL PROPERTY

Subpart A—Scope of Regulations

Sec.

403.1 Personal property seized by the Internal Revenue Service.

403.2 Personal property seized by the Bureau of Alcohol, Tobacco and Firearms.

403.3 Forms prescribed.

Subpart B—Definitions

403.5 Meaning of terms.

Subpart C—Seizures and Forfeitures

403.25 Personal property subject to seizure.

403.26 Forfeiture of seized personal property.

403.27 Type and conditions of cost bond.

403.28 Corporate surety bonds.

403.29 Deposit of collateral.

403.30 Special disposition of perishable goods.

Subpart D—Remission or Mitigation of Forfeitures

403.35 Laws applicable.

403.36 Interest claimed.

403.37 Form of the petition.

403.38 Contents of the petition.

403.39 Time of filing petition.

403.40 Place of filing.

403.41 Discontinuance of administrative proceedings.

403.42 Return of defective petition.